

# Reports and financial statements (Expressed in Hong Kong dollars)

Mission to New Arrivals Limited  
For the year ended 31 March 2022



**Alpha Bright CPA Limited**  
雅輝會計師事務所有限公司  
CERTIFIED PUBLIC ACCOUNTANTS HONG KONG

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# DIRECTORS' REPORT

## Mission to New Arrivals Limited For the year ended 31 March 2022

The directors have pleasure in submitting the annual report together with the audited financial statements for the year ended 31 March 2022.

### Principal activities and business review

Mission to New Arrivals Limited ("the organization") is limited by guarantee. The organization's registered office is located at 21st floor, Skyline Tower, 18 Tong Mi Road, Mongkok, Kowloon, Hong Kong.

The organization helps new arrivals from the mainland China and South Asia, as well as poor and grassroots families integrate to the Hong Kong society; and also shares with them the Christian faith.

The organization is exempted from tax under Section 88 of the Inland Revenue Ordinance. No business review is presented as the organization has been able to claim an exemption under section 388(3) of the Companies Ordinance Cap. 622 since it falls within the reporting exemption.

### Result and appropriations

The result of the organization and the state of the Directors' affairs as at that date are set out in the organization's financial statements on pages 6 to 12.

### Directors

The Directors during the year and up to date of this report were:

Ho Po Sang  
Ku Hok Bun (resigned on 6 May 2022)  
Kwong Wai Man Raymond  
Ng Lai Ping  
Wu Ping Fan  
Yuen Yuet Mui  
Yip Kwok Keung (appointed on 14 December 2021)

In accordance with the organization's Articles of Association, one-third of the directors, or if their number is not three or multiple of three, then the number nearest to but not exceeding one-third, shall retire from office. A retiring director shall be eligible for re-election.

### Permitted indemnity provisions

At no time during the financial year and up to the date of this Directors' report, there was or is, any permitted indemnity provision being in force for the benefit of the directors of the organization or an associated company.

### Auditor

The financial statements for the year have been audited by Alpha Bright CPA Limited who retire and, being eligible, offer themselves for re-appointment.

On behalf of the organization



Wu Ping Fan, Chairman  
Hong Kong, - 1 DEC 2022

# INDEPENDENT AUDITOR'S REPORT

## Mission to New Arrivals Limited For the year ended 31 March 2022

To the members of Mission to New Arrivals Limited.

### Opinion

We have audited the financial statements of Mission to New Arrivals Limited ("the organization") set out on pages 6 to 12, which comprise the statement of financial position as at 31 March 2022, the statement of income and expenditure, and statement of change in funds and reserve for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the financial statements of the organization are prepared, in all material respects, in accordance with the Hong Kong Small and Medium-Sized Entity Financial Reporting Standard ("SME-FRS") issued by the Hong Kong Institute of Certified Public Accountants ("HKICPA") and have been properly prepared in compliance with the Hong Kong Companies Ordinance.

### Basis for Opinion

We conducted our audit in accordance with Hong Kong Standards on Auditing ("HKSA") and with reference to Practice Note 900 (Revised), Audit of Financial Statements Prepared in Accordance with the Small and Medium-sized Entity Financial Reporting Standard issued by the HKICPA. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the HKICPA's Code of Ethics for Professional Accountants ("the Code"), and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of the Sole Director and Those Charged with Governance for the Financial Statements

The directors are responsible for the preparation of the financial statements in accordance with the SME-FRS issued by the HKICPA and the Hong Kong Companies Ordinance, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the organization's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so. Those charged with governance are responsible for overseeing the organization's financial reporting process.

### Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HKSA will always detect a material misstatement when it exists.

### Auditor's Responsibilities for the Audit of the Financial Statements (cont'd)

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with HKSA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the organization's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the director.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the organization's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the organization to cease to continue as a going concern.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



Cheng Kwan Sing  
Certified Public Accountant (Practising)  
Practising no.: P02347  
Alpha Bright CPA Limited  
Certified Public Accountants  
Room 706A, 7/F., Harbour Crystal Center,  
100 Granville Road, Tsimshatsui East, Kowloon,  
Hong Kong, - 1 DEC 2022

# STATEMENT OF INCOME AND EXPENDITURE

## Mission to New Arrivals Limited For the year ended 31 March 2022

	2022	2021
<b>Income</b>		
3H Handicraft Ministry Income	729,449	1,525,522
Creation Farm Ministry Income	61,902	17,239
Donations	3,212,054	4,546,934
Employment support scheme Income	-	1,383,725
Ethnic Minority Ministry Income	179,780	208,469
Fund Income	1,100,000	1,658,093
HSBC Community Partnership Programme Income	-	445,340
Life Building Centre Ministry Income	67,950	113,014
Love Granary Income	315,347	503,298
New Arrivals Ministry Income	2,576,285	2,563,225
Other Income	3,034	13,627
Relief Fund Income	932,117	3,176,008
School of Poverty Caring Ministry Income	861,862	747,161
World Vision Hong Kong Income	-	350,000
Flagday income	905,762	-
	<b>10,945,542</b>	<b>17,251,655</b>
<b>Program and ministry expenses</b>		
3H Handicraft Ministry Expenses	1,303,298	1,199,804
Creation Farm Ministry Expenses	595,300	575,417
Ethnic Minority Ministry Expenses	436,355	478,479
HSBC Community Partnership Programme Expenses	415,608	220,592
Life Building Centre Ministry Expenses	653,731	626,534
Love Granary Expenses	254,823	358,744
New Arrivals Ministry Expenses	5,060,772	3,873,805
Promotion & Fund Raising Expenses	441,497	438,687
Relief Fund Expenses	1,244,737	2,407,318
School of Poverty Caring Ministry Expenses	852,918	791,934
World Vision Hong Kong Expenses	157,170	103,023
	<b>11,416,209</b>	<b>11,074,337</b>
	<b>(470,667)</b>	<b>6,177,318</b>
<b>Administrative expenses</b>		
Administration salaries	849,512	612,268
Advertising	852	3,567
Auditors' Remuneration	8,500	7,500
Bank Charges	21,856	24,577
Cleaning	40,619	27,182
Computer Repair	15,682	18,174
Depreciation	234,818	264,060
Electricity & Water	38,310	20,754

## STATEMENT OF INCOME AND EXPENDITURE

	2022	2021
Insurance	64,047	52,816
Medical	33,321	19,640
Messing	34,162	8,895
Postage	4,114	4,863
Printing & Stationery	34,023	41,508
Telephone & Telecommunication	59,349	21,790
Rent & Rates	729,773	664,401
Repair & Maintenance	14,839	4,659
Staff Training	36,107	16,703
Sundry	4,538	44,594
Web maintenance	800	-
Transportation	1,605	-
Travelling	723	-
Flagday expenses	89,412	-
	<b>2,316,962</b>	<b>1,857,951</b>
<b>(Deficit)/surplus for the year</b>	<b>(2,787,629)</b>	<b>4,319,367</b>

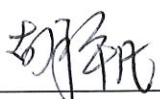
The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

# STATEMENT OF FINANCIAL POSITION

## Mission to New Arrivals Limited As at 31 March 2022

	NOTES	31 MAR 2022	31 MAR 2021
<b>Non current assets</b>			
Furniture, fixtures and Equipment	5	469,633	528,119
		469,633	528,119
<b>Current assets</b>			
Accounts receivable		75,880	4,145
Rental and utility deposits		175,700	175,700
Prepayments and other assets		81,272	105,272
Cash and bank balance		9,210,612	11,917,286
		9,543,464	12,202,403
<b>Current liabilities</b>			
Accrued expenses		78,500	8,296
		78,500	8,296
<b>Net current assets</b>		9,464,964	12,194,107
<b>Net assets</b>		9,934,597	12,722,226
<b>Funds and reserves</b>			
General fund		5,461,473	7,997,006
Building fund		2,500,000	2,500,000
Emergency relief fund		2,225,220	2,225,220
Emergency fund - transfer		(252,096)	-
		9,934,597	12,722,226

Approved and authorised for issue by the directors on - 1 DEC 2022

  
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Wu Ping Fan

  
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Ho Po Sang

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.



# STATEMENT OF CHANGES IN FUNDS AND RESERVE

## Mission to New Arrivals Limited For the year ended 31 March 2022

	2022	2021
<b>Funds and reserve</b>		
<b>General fund</b>		
Opening Balance	7,997,006	5,270,882
(Deficit)/surplus for the year	(2,787,629)	4,319,367
Transfer to designated funds	-	(1,913,243)
Transfer from designated funds	252,096	320,000
Closing Balance	5,461,473	7,997,006
<b>Building fund</b>		
Opening Balance	2,500,000	1,500,000
Transfer from general fund	-	1,000,000
Closing Balance	2,500,000	2,500,000
<b>Emergency fund</b>		
Opening Balance	2,225,220	1,311,977
Transfer from general fund	-	913,243
Transfer to general fund	(252,096)	-
Closing Balance	1,973,124	2,225,220
<b>Programme reserve fund</b>		
Opening Balance	-	320,000
Transfer to general fund	-	(320,000)
Closing Balance	-	-
<b>Total Funds and reserve</b>	<b>9,934,597</b>	<b>12,722,226</b>

The accompanying Accounting Policies and Explanatory Notes form an integral part of, and should be read in conjunction with, these financial statements.

# ACCOUNTING POLICIES AND EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS

## Mission to New Arrivals Limited For the year ended 31 March 2022

### 1. Reporting entity

Mission to New Arrivals Limited ("the organization") is a company incorporated in Hong Kong with liability of the members limited by guarantee.

Under the provisions of the organization's memorandum of association, every member shall, in the event of the organization being wound up, contribute such amount as may be required to meet the liabilities of the organization, but not exceeding HK\$100 each.

Registered office of the Organization is located at 21st floor, Skyline Tower, 18 Tong Mi Road, Mongkok, Kowloon, Hong Kong. The organization helps new arrivals from the mainland China and South Asia, as well as poor and grassroots families integrate to the Hong Kong society; and also shares with them the Christian faith.

### 2. Basis of preparation and accounting policies

The organization qualifies for the reporting exemption as a small private company under section 359(1)(a) of the Hong Kong Companies Ordinance (Cap. 622) and is therefore entitled to prepare and present its financial statements in accordance with the Small and Medium-sized Entity Financial Reporting Standard (SME-FRS) issued by the Hong Kong Institute of Certified Public Accountants.

These financial statements comply with the SME-FRS and have been prepared under the accrual basis of accounting and on the basis that the company is a going concern.

The measurement base adopted is the historical cost convention.

The following are the specific accounting policies that are necessary for a proper understanding of the financial statements:

#### (a) Revenue recognition

Where a revenue item is attributable to designated funds, the revenue is allocated to the respective funds; all other revenue is allocated to general fund.

Revenue is measured at the fair value of the consideration received or receivable. Provided it is probable that the economic benefits will flow to the organization and the revenue and costs, if applicable, can be measured reliably, revenue is recognized in profit or loss as follows:

- Donation and other income is recognized on cash receipt basis.

#### (b) Leases

Leases where substantially all the risks and rewards of ownership of assets are not transferred to the lessee are accounted for as operating leases. Annual rents applicable to such operating leases are charged to the statement of income and expenditure on a straight-line basis over the lease term.

#### (c) Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and any accumulated impairment losses.

The depreciable amount of an item of property, plant and equipment is allocated on a systematic basis over its estimated useful life using the straight-line method. The principal annual rates used for depreciation are as follows:

Machinery and equipment	33-1/3%
Furniture and fixtures	33-1/3%

**(d) Impairment of assets**

An assessment is made at the end of each reporting period to determine whether there is any indication of impairment or reversal of previous impairment, including items of property, plant and equipment. In the event that an asset's carrying amount exceeds its recoverable amount, the carrying amount is reduced to recoverable amount and an impairment loss is recognised in the statement of income and expenditure.

An impairment loss in respect for goodwill is not reversed. In respect of assets other than goodwill, a previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the recoverable amount, however not to an amount higher than the carrying amount that would have been determined (net of amortisation or depreciation), had no impairment losses been recognised for the asset in prior years.

**3. Directors' remuneration**

Directors' emoluments disclosed pursuant to section 383(1) of the Hong Kong Companies Ordinance and Part 2 of the Companies (Disclosure of Information about Benefits of Directors) Regulation is HK\$ nil (2021: HK\$ nil).

**4. Income tax expenses**

No provision has been made for Hong Kong Profits Tax as the organization is an approved charitable organization and is exempt from tax under section 88 of the Hong Kong Inland Revenue Ordinance.

	2022	2021
<b>5. Furniture, fixtures and equipment</b>		
<b>Machinery and equipment</b>		
<b>Cost</b>		
Opening Balance	1,349,236	1,110,330
Additions	111,687	238,906
Closing Balance	1,460,923	1,349,236
<b>Accumulated depreciation</b>		
Opening Balance	1,133,994	1,026,374
Charge for the year	108,977	107,620
Closing Balance	1,242,971	1,133,994
Net book value	217,952	215,242
<b>Furniture and fixtures</b>		
<b>Cost</b>		
Opening Balance	2,553,691	2,506,956
Additions	64,645	46,735
Closing Balance	2,618,336	2,553,691
<b>Accumulated depreciation</b>		
Opening Balance	2,240,814	2,084,375

	2022	2021
Charge for the year	125,841	156,439
Closing Balance	2,366,655	2,240,814
Net book value	251,681	312,877
<b>Total net book value</b>		
Total cost	4,079,259	3,902,927
Total accumulated depreciation	(3,609,626)	(3,374,808)
	469,633	528,119

## 6. Funds

	2022	2021
<b>a) Usage of charitable fund raising income</b>		
<b>Income</b>		
Flag day fund raising income	905,762	-
Less: direct expenses	(89,412)	-
Net proceeds	816,350	-
<b>Usage of the net proceeds in: -</b>		
Relief fund	81,000	-
Network ministry	333,350	-
Ethnic minority ministry	40,000	-
Life building center and creation farm	81,000	-
School of poverty caring ministry	81,000	-
Administrative expenses and overheads	200,000	-
	816,350	-

The net proceeds received from the flag day fundraising event on 14 August 2021 of HK\$816,350 (2021: HK\$ Nil) has been fully used in the financial year ended 31 March 2022.

### b) Building fund

Building fund was set up for the acquisition of a permanent office of the Organization in future.

### c) Emergency relief fund

- Emergency relief fund represents the fund set aside for the emergency relief and love granary ministries. The balance of such fund represents the accumulated net surplus or deficit arisen from designated income and expense associated with such purposes.
- This includes funds received from the Abundance Grace Charity Foundation Limited to the Organization to support the "Emergency relief fund" during the years from 2016/17 to 2020/21.

### d) Programme reserve fund

This represents fund granted from the Abundance Grace Charity Foundation Limited to the Organization to support the "Love - Brighten Up Your Lives" program during the years from 2016/17 to 2020/21.

The fund granted was fully received in prior year and is used in the subsequent financial years until 2020/21.